

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

L

W-02479A  
Lord Arizona Water Systems Inc.  
2961 E. Cooley  
Show Low AZ 85901

APR 14 2005

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2004
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FOR COMMISSION USE

ANN04	04
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## COMPANY INFORMATION

Company Name (Business Name) \_\_\_\_\_

Mailing Address \_\_\_\_\_

(Street)

(City)

**Lord AZ Water Systems**

**P.O. Box 3048**

**Show Low AZ 85902**

**(928) 537-1557**

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

Local Office Mailing Address \_\_\_\_\_

(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

## MANAGEMENT INFORMATION

Management Contact: \_\_\_\_\_

(Name)

(Title)

(Street)

**Lord AZ Water Systems**

**P.O. Box 3048**

**Show Low AZ 85902**

**(928) 537-1557**

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

On Site Manager: \_\_\_\_\_

(Name)

(Street)

**Lord AZ Water Systems**

**P.O. Box 3048**

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**(928) 537-1557**

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Thomas V. Lord  
 (Name)

Lord AZ Water Systems  
 (Street) (City) (State) (Zip)

P.O. Box 3048  
Show Low AZ 85902

Telephone No. (Include Area Code) (928) 637-1657 (Area Code) Pager/Cell No. (Include Area Code)

Attorney: \_\_\_\_\_  
 (Name)

\_\_\_\_\_  
 (Street) (City) (State) (Zip)

\_\_\_\_\_  
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |  |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |  |                                   |                                   |
|--|-----------------------------------|-----------------------------------|
| <input checked="" type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE  | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA              | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ            | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO            | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ        | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE         |                                   |                                   |

**Lord AZ Water Systems**

COMPANY NAME

P.O. Box 3048

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(928) 537-1557

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 271,185	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	2,450	
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	20,689	
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 294,324	\$
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$ 294,324	\$
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 6,100	\$
211	Paid in Capital in Excess of Par Value <i>Preferred</i>	425,299	
215	Retained Earnings	(312,046)	
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 119,353	\$
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 413,677	\$

Lord AZ Water Systems

COMPANY NAME

P.O. Box 3048

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(928) 537-1557

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 100,016	\$ 102,748
460	Unmetered Water Revenue		
474	Other Water Revenues	1,060	
	<b>TOTAL REVENUES</b>	\$ 101,076	\$ 102,748
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 48,017	\$ 34,661
610	Purchased Water	3,700	2,391
615	Purchased Power	9,884	10,820
618	Chemicals		
620	Repairs and Maintenance	14,492	23,892
621	Office Supplies and Expense	9,498	3,098
630	Outside Services	1,373	865
635	Water Testing	5,053	7,079
641	Rents		0
650	Transportation Expenses		101
657	Insurance - General Liability	1,389	2,619
659	Insurance - Health and Life <i>workman Comp</i>		11,93
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	680	549
403	Depreciation Expense	39,301	23,858
408	Taxes Other Than Income <i>Sales</i>	4,615	5,756
408.11	Property Taxes	2,804	2,929
409	Income Tax	0	
	<b>TOTAL OPERATING EXPENSES</b>	\$ 140,806	\$ 119,811
	<b>OPERATING INCOME/(LOSS)</b>	\$ <39,730>	\$ <17,063>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		2,520
426	Miscellaneous Non-Utility Expenses		8,895
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$	\$ <6,375>
	<b>NET INCOME/(LOSS)</b>	\$	\$ 124,63

Lerd AZ Water Systems

P.O. Box 3048

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**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ \_\_\_\_\_

Meter Deposits Refunded During the Test Year \$ \_\_\_\_\_

COMPANY NAME

WATER COMPANY PLANT DESCRIPTIONWELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-504124	5	25	825	4		1982
55-504318	10	35	1000	4	1	1983
55-505642	15	40	800	6		1985

\* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Cedar Grove	45	236500

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
15	2	2	
2	1		
5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
20,000	1	2000	2
10,000	1	119	1
15,000	2		

COMPANY NAME

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	/
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

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STRUCTURES:

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OTHER:

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Lord AZ Water Systems

P.O. Box 3048

Show Low AZ 85902

(928) 537-1557

COMPANY NAME:

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	279	843624	
FEBRUARY	279	775555	
MARCH	278	768847	
APRIL	280	874629	
MAY	277	1837783	
JUNE	280	1919200	
JULY	283	1254205	
AUGUST	285	1502632	
SEPTEMBER	290	1541349	
OCTOBER	288	1981889	
NOVEMBER	285	751898	
DECEMBER	286	757968	
TOTAL		NA	

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes

(X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes

(X) No

If yes, provide the GPCPD amount: \_\_\_\_\_

What is the level of arsenic for each well on your system. < .001 mg/l

(If more than one well, please list each separately.)

< .003

< .003

**Note:** If you are filing for more than one system, please provide separate data sheets for each system.

Apache County Treasurer, St. Johns, AZ

# RECEIPT

YEAR

2003-2004

PARCEL NO.

931-20-900

PAYOR

TAX AMOUNT

1,060.72

INTEREST

5% PENALTY

REDEMP. FEE

REFUND

OTHER

TOTAL

**PAID**

APR 26 2004

BETTY M. MONTOYA  
APACHE COUNTY TREASURER

Apache County Treasurer, St. Johns, AZ

# RECEIPT

YEAR

2003-2004

PARCEL NO.

931-20-900

PAYOR

TAX AMOUNT

1,060.72

INTEREST

5% PENALTY

REDEMP. FEE

REFUND

OTHER

TOTAL

**PAID**

OCT 21 2004

BETTY M. MONTOYA  
APACHE COUNTY TREASURER

Lord AZ Water Systems  
P.O. Box 3048  
Show Low AZ 85902

COMPANY NAME \_\_\_\_\_ (920) 537-1557 YEAR ENDING 12/31/2004

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 2929

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Lord AZ Water Systems  
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COMPANY NAME \_\_\_\_\_

YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported \_\_\_\_\_  
Estimated or Actual Federal Tax Liability \_\_\_\_\_

State Taxable Income Reported \_\_\_\_\_  
Estimated or Actual State Tax Liability \_\_\_\_\_

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances \_\_\_\_\_  
Amount of Gross-Up Tax Collected \_\_\_\_\_  
Total Grossed-Up Contributions/Advances \_\_\_\_\_

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Thomas V. Lord  
SIGNATURE

4-10-05  
DATE

Thomas V. Lord  
PRINTED NAME

President  
TITLE

APR 14 2005  
AZ Corporation Commission  
Director Of Utilities

VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

Lord AZ Water Systems  
P.O. Box 3048  
Show Low AZ 85902  
(928) 537-1557

VERIFICATION

STATE OF Az

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>APACHE</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Thomas V. Lord</u>
COMPANY NAME	<u>Lord Az. Water Systems Inc</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 102,748

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 5,765  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Thomas V. Lord  
SIGNATURE OF OWNER OR OFFICIAL  
928 537 1557  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

11th

DAY OF

COUNTY NAME	<u>Navajo</u>
MONTH	<u>April</u>
	<u>2005</u>

(SEAL)

MY COMMISSION EXPIRES  
OFFICIAL SEAL  
NATALIE PRITT  
Notary Public - State of Arizona  
NAVAJO COUNTY  
My Comm. Expires July 4, 2007

Natalie Pritt  
SIGNATURE OF NOTARY PUBLIC

APR 14 2005

VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY

Lord AZ Water Systems  
P.O. Box 3048  
Show Low AZ 85902  
(908) 537-1557

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>NAVAJO</u>	
NAME (OWNER OR OFFICIAL) <u>Thomas V. Lord</u>	TITLE <u>Pres.</u>
COMPANY NAME <u>Lord Az Water Systems Inc</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2004</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 102,748

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 5766  
IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

Thomas V. Lord  
SIGNATURE OF OWNER OR OFFICIAL  
9285371557  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

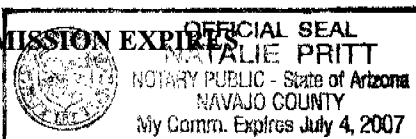
11th

DAY OF

NOTARY PUBLIC NAME <u>Natalie Pritt</u>	
COUNTY NAME <u>Navajo</u>	
MONTH <u>April</u>	20 <u>05</u>

(SEAL)

MY COMMISSION EXPIRES



Natalie Pritt  
SIGNATURE OF NOTARY PUBLIC

## **FINANCIAL INFORMATION**

**Lord AZ Water Systems**  
**P.O. Box 3048**  
**Show Low AZ 85902**  
**(928) 537-1557**

Attach to this annual report a copy of the companies' year-end (Calendar Year 2004) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**